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IDB.42/4-PBC.30/4

United Nations Industrial Development Organization

Distr.: General
28 May 2014

Original: English

Industrial Development Board
Forty-second session
Vienna, 25-27 November 2014

Programme and Budget Committee
Thirtieth session
Vienna, 25-26 June 2014
Item 5 of the provisional agenda
Financial situation of UNIDO, including unutilized balances of appropriations

Financial situation of UNIDO

Report by the Director General

The present document provides information on the financial situation of the Organization as at 31 March 2014.

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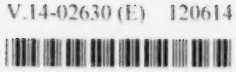

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I. Overview

1. UNIDO's financial situation as at 31 March 2014 can be summarized in the following major points:

(a) Regular budget gross expenditure spending-rate of 25.8 per cent reflects a slightly higher level than that of the same period in the previous biennium of 23.1 per cent;

(b) The operational budget expenditures amounted to €3.8 million in the reporting period. Support costs income amounted to €3.4 million in three months of 2014;

(c) The expenditure level for buildings management amounted to €10.7 million in accordance with the prevailing workplan;

(d) The collection rate of 2014 assessed contributions at 31 March was 36.8 per cent, compared to the 2013 and 2012 rates of 38 and 39 per cent, respectively;

(e) The collection rate of prior years' arrears was 1.2 per cent. The rate as at 31 March 2013 and 2012, as compared to the assessments of those years, was 10.2 and 14.2 per cent, respectively;

(f) Outstanding assessed contributions amounted to €138.2 million, as shown in the annex to the present document (including arrears of €69.1 million by the United States of America, and €2.1 million by the former Yugoslavia). The outstanding amounts as at 31 March 2013 and 2012 were €138.9 million and €146.1 million, respectively;

(g) The Working Capital Fund was at the level of €7,423,030. €403,769 was outstanding as at 31 March 2014;

(h) A conference room paper will be issued on the status of assessed contributions and voting rights, with information updated as of 15 June 2014.

II. Regular and operational budgets, 2014-2015

A. Regular budget

2. The implementation of the biennial regular budget commenced with the establishment of an initial release threshold by budgetline and/or major object of expenditure to facilitate sufficient funding at the commencement of the biennium and to facilitate activities for each required budget category.

3. Therefore, allotments to the value of €67.7 million were issued at the onset of the biennium. These were comprised of €41.3 million for staff in established posts and €26.4 million for all other expenditure categories.

4. As at 31 March 2014, regular budget expenditures totalled €18.7 million, which represents 25.8 per cent of the gross expenditure budget for 2014. These indicators are comparable with those of the previous biennium where at

31 March 2012, the regular budget expenditure amounted to €17.9 million with a 23.1 per cent utilization rate of the gross expenditure budget.

B. Operational budget

5. Allotments of €17.3 million were issued at the start of 2014. This level is equivalent to 100 per cent of estimates included in the approved programme and budgets.

6. Operational budget expenditures amounted to €3.8 million on 31 March 2014. In the preceding biennium expenditures amounted to €2.9 million as at 31 March 2012.

7. Technical cooperation activities in the first quarter of 2014 reached $57.8 million, including commitments. Income from support costs for this period amounted to €3.4 million.

C. Buildings management

8. Allotments of €28.2 million were issued for 2014 at the start of the biennium.

9. Expenditures as at 31 March 2014 amounted to €10.7 million, compared to €13.5 million in 2012. The expenditure level in the current biennium represents 37.5 per cent of the buildings management gross expenditure budget.

III. Assessed contributions

A. Collections

10. A total of thirty-six Member States, including eight least developed countries (LDCs), have made full payments. Fifty-four Member States, eight of which are LDCs, have made partial payments and/or adjustments have been credited towards their assessed contributions for the year 2014. The collections in the period from January to March 2014, broken down by List of States, are shown in table 1.

Table 1
Collections, January-March 2014
(In millions of euros)

*List of States**	*Current year*	*Prior years*	*Total*
A	2.89	0.67	3.56
B	18.88	0.07	18.95
C	0.83	0.08	0.91
D	3.84	0.00	3.84
Others	0.00	0.00	0.00
USA	0.00	0.00	0.00
Yugoslavia (former)	0.00	0.00	0.00
Total	**26.44**	**0.82**	**27.26**

* As contained in document PBC.30/7.

B. Outstanding contributions

11. The detailed status of assessed contributions outstanding as at 31 March 2014 is contained in the annex to the present document. The scale of assessments and outstanding contributions as of the same period, broken down by List of States, are shown in table 2.

Table 2
Scale of assessments and outstanding contributions as at 31 March 2014

		Millions of euros		
*List of States**	*Scale of assessment (%)*	*Current year*	*Prior years*	*Total*
A	21.817	11.23	3.55	14.78
B	58.632	26.22	0.00	26.22
C	11.402	6.55	13.74	20.29
D	8.118	1.42	4.01	5.43
Others	0.031	0.01	0.30	0.33
Subtotal	**100.000**	**45.43**	**21.61**	**67.04**
USA		0.00	69.07	69.07
Yugoslavia (former)		0.00	2.08	2.08
Total	**100.000**	**45.43**	**92.76**	**138.20**

* As contained in document PBC.30/7.

IV. Voting rights

12. As indicated in the annex to the present document, voting rights of 42 Member States had been suspended as at 31 March 2014, in accordance with Article 5.2 of the Constitution and financial regulation 5.5 (b). In comparison, the voting rights of 37 countries had been suspended at the same time last year. The status of voting rights in respect of the various policymaking organs is shown in table 3.

Table 3
Suspension of voting rights as at 31 March 2014

	Number of members		
Members of	*2014*	*2013*	*2012*
General Conference	42	37	39
Industrial Development Board	2	2	4
Programme and Budget Committee	3	1	2

13. In order to restore their voting rights for 2014, these Member States must pay their full contributions for 2011 and prior years, including advances to the Working Capital Fund, as well as a partial contribution for 2012. The minimum total amount that would have to be paid by these Member States is €6,244,070.

V. Multi-year payment plans

14. Table 4 shows, in summary form, the current status of those Member States that have entered into payment plan arrangements to settle outstanding assessed contributions. The Secretariat notes with appreciation and recognizes the considerable efforts made by all those Member States that have honoured their commitments and obligations as stipulated in their respective payment plans. Other Member States in arrears are encouraged to consider submitting payment plans to steadily reduce their outstanding assessed contributions.

Table 4
Payment plans — status as at 31 March 2014
(Amounts in euros)

Member State	*Total amount of arrears covered by the plan**	*Outstanding amounts 31/3/14*	*Amounts received due in 2014*	*Duration years*	*Instalment due in 2014 (month)*	*Instalment due*	*Payment made in 2014*
Brazil	25,577,384	14,776,033	14,776,033	5	June	Fourth/Fifth	Scheduled
Costa Rica	280,742	234,407	20,787/65,961	10	September	Fourth	Received/partial
Republic of Moldova	878,231	266,473	90,979	10	June	Eighth	Scheduled
Ukraine	1,949,104	1,266,494	486,853	5	April	Third	Scheduled
Total	**28,685,461**	**16,543,407**	**15,440,613**				

* Total amount of arrears at time of signing the plan.

VI. Arrears by former Member States

15. The amount of arrears owed to UNIDO by the United States of America is €69,068,887 (1994-1996), while the arrears of the former Yugoslavia amount to €2,081,599 (1990-2001).

VII. Unutilized balances of appropriations

16. Through the implementation of General Conference decision GC.15/Dec.13, unutilized balances of appropriations, a total amount of €4,032,511 became available for the purposes specified in the decision. Altogether 21 Member States voluntarily renounced their share of the unutilized balances. Out of the total amount, €942,896 was made available for the special account to retain office space for the biennium 2014-2015 and €3,089,134 was made available for the purpose of strengthening the programmes of UNIDO. The following table provides detailed information on the amounts of renounced unutilized balances.

Member State	*Total unutilized balances available*	*Renounced for retaining office space*	*Renounced for strengthening programmes or special purpose Industrial Development Fund contribution*
Angola	481	NA	NA
Burkina Faso	404	0	404
China	400,604	275,000	125,604
Cuba	8,426	0	8,426
Denmark	124,091	62,046	62,045
Finland	94,180	0	94,180
Germany	1,473,042	50,000	1,423,042
Hungary	36,227	18,000	18,227
Israel	69,499	10,000	59,499
Italy	853,448	0	853,448
Lebanon	4,883	0	4,883
Malta	2,726	2,726	0
Norway	125,546	62,773	62,773
Poland	79,693	0	79,693
Republic of Korea	342,286	100,000	242,286
Russian Federation	228,118	228,118	0
Slovenia	15,403	0	15,403
Switzerland	134,233	134,233	0
Syrian Arab Republic	4,603	0	4,603
Thailand	33,303	0	33,303
Zimbabwe	1,315	0	1,315
Total	**4,032,511**	**942,896**	**3,089,134**

NA = not applicable.

VIII. Action required of the Committee

17. The Committee may wish to consider recommending to the Board the adoption of the following draft decision:

"The Industrial Development Board:

(a) Takes note of the information provided in document IDB.42/4-PBC.30/4;

(b) Urges those Member States and former Member States that have not yet paid their assessed contributions, including advances to the Working Capital Fund and prior years' arrears, to do so without delay;

(c) Requests the Director General to pursue his efforts and contacts with Member States and former Member States to effect the collection of arrears."

Annex

Status of assessed contributions to the regular budget
(In euros)

Status as at 31 March 2014

Member State	*Outstanding assessed contributions*	*WCF 2014 due*	*Total due*	*Years outstanding (since)*	*Voting rights**	*Minimum payment to gain voting rights*
Afghanistan	5,124	0	5,124	2014P	Yes	0
Albania	9,588	0	9,588	2014P	Yes	0
Algeria	0	0	0	-	Yes	0
Angola	0	0	0	-	Yes	0
Argentina	216,058	0	216,058	2014P	Yes	0
Armenia	920,638	275	920,913	1992P	No	903,730
Austria	0	0	0	-	Yes	0
Azerbaijan	39,940	0	39,940	2014P	Yes	0
Bahamas	15,609	0	15,609	2014P	Yes	0
Bahrain	36,692	0	36,692	2014P	Yes	0
Bangladesh	0	0	0	-	Yes	0
Barbados	20,310	0	20,310	2012P	Yes	0
Belarus	0	0	0	-	Yes	0
Belgium	870,902	0	870,902	2014P	Yes	0
Belize	965	0	965	2013P	Yes	0
Benin	9,766	0	9,766	2012P	Yes	0
Bhutan	492	0	492	2014P	Yes	0
Bolivia (Plurinational State of)	40,850	0	40,850	2009P	No	15,230
Bosnia and Herzegovina	0	0	0	-	Yes	0
Botswana	0	0	0	-	Yes	0
Brazil	14,630,572	145,461	14,776,033	2005P	Yes	Payment plan
Bulgaria	0	0	0	-	Yes	0
Burkina Faso	2,703	0	2,703	2014P	Yes	0
Burundi	47,427	1	47,428	1995P	No	45,480
Cabo Verde	0	0	0	-	Yes	0
Cambodia	4,450	0	4,450	2014P	Yes	0
Cameroon	44,400	0	44,400	2011P	No	7,100
Central African Republic	119,637	1	119,638	1989	No	117,690
Chad	106,966	2	106,968	1991	No	100,800
Chile	337,572	0	337,572	2014P	Yes	0
China	5,440,783	244,155	5,684,938	2014	Yes	0
Colombia	110,640	0	110,640	2014P	Yes	0
Comoros	142,816	1	142,817	1986	No	140,870
Congo	10,217	26	10,243	2012P	Yes	0
Costa Rica	234,407	0	234,407	2008P	Yes	Payment plan
Côte d'Ivoire	10,095	280	10,375	2014P	Yes	0
Croatia	129,010	0	129,010	2014P	Yes	0

Member State	*Outstanding assessed contributions*	*WCF 2014 due*	*Total due*	*Years outstanding (since)*	*Voting rights**	*Minimum payment to gain voting rights*
Cuba	93,253	402	93,655	2013P	Yes	0
Cyprus	43,296	0	43,296	2014P	Yes	0
Czech Republic	370,486	0	370,486	2014P	Yes	0
Democratic People's Republic of Korea	11,727	0	11,727	2013P	Yes	0
Democratic Republic of the Congo	158,947	3	158,950	1989P	No	148,570
Denmark	0	0	0	-	Yes	0
Djibouti	45,196	0	45,196	1995P	No	42,970
Dominica	6,890	0	6,890	2005P	No	4,940
Dominican Republic	696,295	649	696,944	1987	No	556,400
Ecuador	43,805	0	43,805	2014P	Yes	0
Egypt	132,134	0	132,134	2014P	Yes	0
El Salvador	405,694	0	405,694	1988	No	348,260
Equatorial Guinea	22,054	0	22,054	2011P	No	1,880
Eritrea	0	0	0	-	Yes	0
Ethiopia	21,799	0	21,799	2011P	No	2,750
Fiji	0	0	0	-	Yes	0
Finland	547,829	0	547,829	2014P	Yes	0
France	6,077,565	0	6,077,565	2014P	Yes	0
Gabon	45,178	0	45,178	2012P	Yes	0
Gambia	66,619	0	66,619	1994P	No	64,670
Georgia	1,631,852	141	1,631,993	1992P	No	1,611,890
Germany	3,759,006	0	3,759,006	2014P	Yes	0
Ghana	0	0	0	-	Yes	0
Greece	578,103	0	578,103	2014P	Yes	0
Grenada	51,576	0	51,576	1995P	No	49,630
Guatemala	23,577	0	23,577	2014P	Yes	0
Guinea	5,290	0	5,290	2011P	No	420
Guinea-Bissau	124,947	1	124,948	1988	No	120,000
Guyana	942	0	942	2013P	Yes	0
Haiti	0	0	0	-	Yes	0
Honduras	27,138	0	27,138	2011P	No	2,820
Hungary	280,583	0	280,583	2014P	Yes	0
India	52,211	0	52,211	2014P	Yes	0
Indonesia	352,205	0	352,205	2014P	Yes	0
Iran (Islamic Republic of)	951,074	0	951,074	2011P	No	56,820
Iraq	71,145	0	71,145	2014P	Yes	0
Ireland	0	0	0	-	Yes	0
Israel	0	0	0	-	Yes	0
Italy	4,682,465	0	4,682,465	2014P	Yes	0
Jamaica	37,569	0	37,569	2012P	Yes	0
Japan	6,487,487	0	6,487,487	2014P	Yes	0
Jordan	22,426	0	22,426	2014P	Yes	0
Kazakhstan	128,028	0	128,028	2014P	Yes	0
Kenya	0	0	0	-	Yes	0

Member State	*Outstanding assessed contributions*	*WCF 2014 due*	*Total due*	*Years outstanding (since)*	*Voting rights[a]*	*Minimum payment to gain voting rights*
Kuwait	549,332	0	549,332	2013P	Yes	0
Kyrgyzstan	382,995	137	383,132	1993P	No	379,880
Lao People's Democratic Republic	2,260	0	2,260	2013P	Yes	0
Lebanon	45,986	0	45,986	2013P	Yes	0
Lesotho	987	0	987	2013P	Yes	0
Liberia	0	0	0	-	Yes	0
Libya	140,222	0	140,222	2014P	Yes	0
Luxembourg	71,223	0	71,223	2014P	Yes	0
Madagascar	2,807	0	2,807	2014P	Yes	0
Malawi	2,115	0	2,115	2013P	Yes	0
Malaysia	269,800	0	269,800	2014P	Yes	0
Maldives	2,624	0	2,624	2011P	No	670
Mali	12,183	0	12,183	2011P	No	510
Malta	16,830	15	16,845	2014	Yes	0
Mauritania	86,241	137	86,378	1992P	No	83,130
Mauritius	0	0	0	-	Yes	0
Mexico	1,571,651	0	1,571,651	2014P	Yes	0
Monaco	0	0	0	-	Yes	0
Mongolia	3,194	0	3,194	2014P	Yes	0
Montenegro	13,939	107	14,046	2012P	Yes	0
Morocco	59,317	0	59,317	2014P	Yes	0
Mozambique	0	0	0	-	Yes	0
Myanmar	9,060	0	9,060	2013P	Yes	0
Namibia	0	0	0	-	Yes	0
Nepal	6,356	0	6,356	2014P	Yes	0
Netherlands	0	0	0	-	Yes	0
Nicaragua	2,944	0	2,944	2014P	Yes	0
Niger	108,531	2	108,533	1991P	No	102,370
Nigeria	171,403	0	171,403	2013P	Yes	0
Norway	0	0	0	-	Yes	0
Oman	98,954	0	98,954	2014P	Yes	0
Pakistan	109,773	0	109,773	2013P	Yes	0
Panama	0	0	0	-	Yes	0
Papua New Guinea	38,839	208	39,047	2003P	No	30,290
Paraguay	15,700	0	15,700	2013P	Yes	0
Peru	136,527	0	136,527	2013P	Yes	0
Philippines	65,088	0	65,088	2014P	Yes	0
Poland	0	0	0	-	Yes	0
Portugal	417,119	0	417,119	2014P	Yes	0
Qatar	217,500	0	217,500	2014P	Yes	0
Republic of Korea	2,097,238	0	2,097,238	2014P	Yes	0
Republic of Moldova	266,478	138	266,616	1996P	Yes	Payment plan
Romania	233,700	0	233,700	2014P	Yes	0
Russian Federation	0	0	0	-	Yes	0
Rwanda	2,973	0	2,973	2012P	Yes	0

Member State	Outstanding assessed contributions	WCF 2014 due	Total due	Years outstanding (since)	Voting rights*	Minimum payment to gain voting rights
Saint Kitts and Nevis	4,082	0	4,082	2009P	No	2,130
Saint Lucia	2,901	0	2,901	2010P	No	950
Saint Vincent and the Grenadines	119,107	1	119,108	1989P	No	117,160
Samoa	563	0	563	2014P	Yes	0
Sao Tome and Principe	142,816	1	142,817	1986	No	140,860
Saudi Arabia	0	0	0	-	Yes	0
Senegal	20,096	0	20,096	2011P	No	640
Serbia	42,076	644	42,720	2014P	Yes	0
Seychelles	6,414	0	6,414	2011P	No	1,540
Sierra Leone	605	0	605	2014P	Yes	0
Slovakia	174,798	0	174,798	2014P	Yes	0
Slovenia	0	0	0	-	Yes	0
Somalia	142,815	1	142,816	1986	No	140,860
South Africa	0	0	0	-	Yes	0
Spain	2,665,896	0	2,665,896	2014P	Yes	0
Sri Lanka	24,773	0	24,773	2014P	Yes	0
Sudan	0	0	0	-	Yes	0
Suriname	8,041	0	8,041	2013P	Yes	0
Swaziland	13,342	0	13,342	2010P	No	2,960
Sweden	0	0	0	-	Yes	0
Switzerland	0	0	0	-	Yes	0
Syrian Arab Republic	87,461	522	87,983	2012P	Yes	0
Tajikistan	100,965	138	101,103	1997P	No	80,540
Thailand	252,457	5,075	257,532	2014P	Yes	0
The former Yugoslav Republic of Macedonia	37,518	0	37,518	2009P	No	13,200
Timor-Leste	1,942	22	1,964	2014	Yes	0
Togo	13,782	0	13,782	1999P	No	11,830
Tonga	827	0	827	2013P	Yes	0
Trinidad and Tobago	91,525	0	91,525	2013P	Yes	0
Tunisia	36,514	0	36,514	2014P	Yes	0
Turkey	0	0	0	-	Yes	0
Turkmenistan	327,132	0	327,132	1995	No	248,820
Tuvalu	2,107	1	2,108	2012P	Yes	0
Uganda	16,712	0	16,712	2012P	Yes	0
Ukraine	1,274,329	2,114	1,276,443	1999P	Yes	Payment plan
United Arab Emirates	607,462	0	607,462	2014P	Yes	0
United Republic of Tanzania	17,738	0	17,738	2012P	Yes	0
Uruguay	75,974	0	75,974	2013P	Yes	0
Uzbekistan	496,616	454	497,070	1997P	No	461,480
Vanuatu	72,161	0	72,161	1992P	No	70,210
Venezuela (Bolivarian Republic of)	1,255,555	2,648	1,258,503	2012P	Yes	0
Viet Nam	0	0	0	-	Yes	0
Yemen	21,483	6	21,489	2010P	No	11,120
Zambia	0	0	0	-	Yes	0

Member State	*Outstanding assessed contributions*	*WCF 2014 due*	*Total due*	*Years outstanding (since)*	*Voting rights*[a]	*Minimum payment to gain voting rights*
Zimbabwe	5,121	0	5,121	2013P	Yes	0
Subtotal	**67,010,914**	**403,769**	**67,414,683**			6,244,070
Yugoslavia (former)[b]	2,081,599		2,081,599	1990(P)-2001		
Non-Member						
United States of America[c]	69,068,887		69,068,887	1994(P)-1996		
TOTAL	**138,161,400**	**403,769**	**138,565,169**			**6,244,070**

Notes

(P) refers to partial payment

[a] Voting rights of 42 Member States have been suspended in accordance with Article 5.2 of the Constitution of UNIDO.

[b] Outstanding contributions to be resolved (General Assembly resolution 63/249).

[c] Member State of UNIDO until 31 December 1996.